

what they've been up to in the last year, which I found of interest. You know we started that fraud division in the department last year. Part of the provisions of this bill designate our law enforcement part of the fraud unit, our investigator, as a law enforcement official, to allow us to access federal information. Secondly, it raises from 100, not to exceed 200, the amount that we're going to get from insurance companies to help us run this. But let me tell you one of the stories about one of the cases that came in this last year, which promulgates the need for a little more assistance and more investigation. Husband and wife divorce, ex-wife has a son, ex-wife and son take out 68 insurance policies on the life of the ex-husband naming the son as the beneficiary. Wife takes out the funds, they get a second phone line run into their house and that second phone line they designate as a doctor's office to answer all medical questions about the ex-husband who is now out of state. So, they're here pretending to be nurse, pretending to be doctor, answering the questions of the insurance company, and then they try to get a fraudulent Mexican death certificate for this guy, based on an earthquake in Mexico. Eight and a half million dollars of premiums spread over 68 different policies. You know how much money they spent to get it, to start this whole thing? Twenty-two thousand bucks, 22,000 bucks in premiums, and they're getting ready to collect 8.5 m-m-m-m-million bucks! (Laughter.) Well, this is what our fraud unit is out fighting, okay. And we need not 100, but we need up to 200 bucks from the insurance companies. They're happy, they're in support of the bill. We need our fraud investigator to be a law enforcement official so that he can access federal information. The FBI will not assist us unless we have a designated law enforcement official. We also change the notice requirements, giving us the rule to do better notice on Medicare supplements. We...let's see, we also release foreign and alien insurance companies for the annual evaluation of their reserve liabilities. We amend the HMO law to provide any capitation payments shall be excluded from premium and retaliatory tax obligations. We also amend the Medicare Supplement Insurance Minimum Standards Act to define medical supplement policy so that it will dovetail with federal statutes which have demonstration projects, which release them from a certain kind of federal statutes and that we could access if we changed our amendments. The bill was advanced seven to nothing by the committee, it was supported by the Department of Insurance and the Insurance Federation with no opposition. I